



[Return to Table of Contents](#)

## Government Management

---

The Coordinator's Office provided information about its various functions and accomplishments.

The Operations and Regulatory Services Department summarized its 1998 program for this report.

Finance Department and Board of Estimate and Taxation documents were two principal sources of financial information in the Government Management section of this document. **State of the City** acknowledges the help given by staff from both these departments.

Another major source of financial data was the city's Budget Office.

Neighborhood Revitalization Program (NRP) information came, in part, from NRP staff.

Data for the tax increment finance district portion was reviewed and updated by Minneapolis Community Development Agency staff.

This chapter can also be found on the city's web site at: [www.ci.minneapolis.mn.us/planning](http://www.ci.minneapolis.mn.us/planning)

**Management and Administration**  
**Information and Technology Services**  
**Human Resources**  
**Finance**  
**Intergovernmental Relations**  
**Operations and Regulatory Services**  
**Priorities '98**  
**Neighborhood Revitalization**  
**City Revenues and Expenditures**  
**Property Tax**  
**Tax Increment Financing**  
**City Debt**  
**Debt Capacity-Total Debt**  
**Debt Capacity-Tax Supported Debt**



## Management and Administration

**The City of Minneapolis' government system continues to undergo comprehensive change. As federal, state and local resources shrink and the role of information technology expands, Minneapolis city government is responding through changes in its management systems. The Minneapolis City Coordinator's Office is leading the change and ensuring that changes are integrated and in alignment throughout the organization.**

The City Coordinator's job is defined by three distinct roles:

- 1) to assist the Mayor and City Council in defining city policy and establishing priorities;
- 2) to mobilize the Charter Department Heads and Coordinator's staff to implement the Mayor's and City Council's priorities; and,
- 3) to strengthen the management systems of the city.

Although the Coordinator's Office has worked on each of these efforts in 1998, a primary focus has been on assisting the Mayor and City Council in defining city policy and establishing priorities. In addition to organizing the orientation for the newly elected City Council Members, the City Coordinator designed a strategic planning process for the Mayor and City Council that produced new city goals, a shared action plan, and the formulation of a vision statement. In Minneapolis the strategic planning process is an essential, consensus-designed step in determining a direction for the city and agreement on the next year's priorities. It is a process that reflects the Mayor's and Council Members' shared interest in the welfare of the City of Minneapolis.

The collaborative process of setting goals and a shared action plan improves the opportunity for collaborative work and outcomes throughout the following year. The goals and their supportive action plan become the blueprint for setting priorities, dedicating time and expending resources. The strategic planning effort gives elected and appointed leadership, as well as city staff, the chance to focus on the same set of priorities and concerns. The 1998 City Goals are as follows:

- Increase the city's population and tax base by developing and supporting housing choices citywide through preservation of existing housing and new construction.
- Increase real and perceived safety in the City of Minneapolis through effective and efficient law enforcement and prosecution, and criminal justice system reform.
- Facilitate the participation of all citizens, including children, in the economic and civic life of the community.
- Create strong vital commercial corridors citywide through mixed use development, including a variety of businesses and creative housing.

- Improve public transportation to get people to jobs, school and fun.
- Preserve, enhance and create a sustainable natural and historic environment citywide.
- Market downtown as a place to live, work, play and do business.
- Strengthen our city through infrastructure investments.

Besides assisting the Mayor and City Council with strategic planning efforts, the City Coordinator guided other major initiatives in 1998, including the following:

### **Management Teambuilding**

The City Coordinator initiated Management Teambuilding efforts in 1995 in order to build cohesion and alignment among the management of the entire enterprise. In 1998, the city's department heads were joined by their direct reports in Management Teambuilding activities, including an all day retreat, to design methods to work together across city departments to achieve the city goals and to enhance city services. The management team established three interdepartmental work groups to follow-up on issues discussed at the retreat. These work groups focused on communication, cross-departmental work teams, and performance review.

### **Convention Center Expansion**

In the spring, 1998, the Governor signed legislation providing state support for an expansion of the Minneapolis Convention Center. The State of Minnesota will assume \$87 million of the city's existing Convention Center debt. Minneapolis will sell \$175 million in bonds for the project. The two story, 650,000 square foot expansion will nearly double the exhibit space and add needed meeting rooms and support space. The architects and a construction manager have been hired and a preliminary schematic design is nearing completion. The City Coordinator supervises the project manager who works in conjunction with the Convention Center Implementation Committee composed of the Mayor, City Council President, the 7th Ward Council Member, the City Coordinator, the Executive Director of the MCDA, and business and community representatives. A major issue at this time is whether or not to build the international conference center. A Request for Proposals (RFP) for naming rights has been issued, and the RFP process will be completed in February, 1999. The final schematic design should be completed in early 1999. Ground breaking is scheduled for spring 1999, with completion in 2002.

### **Near Northside Implementation Committee**

In April 1998, the City Council established an interdepartmental, interjurisdictional implementation committee to oversee redevelopment of a 73-acre public housing site in north Minneapolis. Redevelopment will consist of a 450-unit mixed-income housing community, 36 acres of park land, including a boulevard connection linking north and south Minneapolis, plus

---

institutional and commercial uses to support the housing community. Total development costs are expected to be \$135 million. It will be completed in 2002.

#### **New Central Library Implementation Committee**

Recognizing that the current Central Library is inadequate to meet the needs of the citizens of Minneapolis, in June 1998, the City Council established the Minneapolis Central Library Implementation Committee. The Implementation Committee was charged with recommending a site, conceptual design, and funding methodology for the construction of a new central library by June 1, 1999. The committee consists of the Mayor, the President of the Minneapolis Public Library, two Library Board members, two City Council members, library users, representatives of the business community, and downtown representatives. The City Coordinator and the Library Director serve as staff directing this effort. To accomplish its goal, the Implementation Committee is working to define the role of the central library, examine the existing central library, develop a program and building design and requirements, develop cost estimates and financing options, advocate for its construction, and recommend a work plan for the implementation of the project.

#### **Avenue of the Arts**

Third Avenue South links the historic Minneapolis Riverfront with the Minneapolis Institute of Arts. Recognizing the unique opportunity for building upon the realignment and streetscape improvements associated with the Convention Center Completion Project, the City Council established the Avenue of the Arts Implementation Board in May, 1998. The Board's mission is to develop a conceptual plan for the design of an Avenue of the Arts, to recommend improvements in the public right-of-way, to recommend a process that incorporates private projects and encourages private investment on private property, and to recommend a funding plan. The Board consists of the Mayor, Council Members representing the 6th and 7th Wards, major institutions and property owners, neighborhood representatives, and seven at-large members.

#### **Residency Task Force**

In March 1998, the Speaker of the Minnesota House of Representatives negotiated the creation of a ten-member task force on residency to resolve identified problems with the residency requirement. The task force, consisting of the Mayor, three Council Members, the City Coordinator, and five labor representatives, agreed to work together to modify the city's residency ordinance to better meet the needs of the city and its employees. In addition to recommending amendments to the residency ordinance, the task force also recommended a number of additional actions be taken, including providing new housing assistance programs and instituting waiver criteria.

#### **Minneapolis Empowerment Zone**

In April of 1998, the Clinton administration announced the designation in January 1999, of 15 additional Empowerment Zones. The City Coordinator convened a cross department work team led by Grants and Special Projects staff to draft the Empowerment Zone Application. The Minneapolis Empowerment Zone builds on projects supported by the community, including the redevelopment of a Sears warehouse into the Great Lake Center, the redevelopment of Near North Minneapolis in conjunction with the Hollman v. Cisneros decree, and the development of the South-eastern Minneapolis Industrial Area.

These initiatives alone will create over 5,000 new jobs in Minneapolis. Initiatives such as Work/Family Links, Weed and Seed, School-to-Career, pollution cleanup, community networks and technology will be added to demonstrate a "holistic" approach to addressing problems in the Empowerment Zone. Minneapolis submitted a highly competitive application to the U.S. Department of Housing and Urban Development. The proposed projects already have partial financial commitments, enjoy strong community support, and stand ready for immediate implementation. Over \$2 billion in private investment has been leveraged in support of Empowerment Zone projects. Empowerment Zone designation means Minneapolis would receive over \$200 million in tax incentives and benefits and \$100 million in grant funding over a ten-year designation period. The \$100 million had not been appropriated by Congress at the time of this submittal.

#### **Neighborhood Revitalization Program**

The Neighborhood Revitalization Program (NRP), a neighborhood-based planning initiative, is entering its tenth year. The City Coordinator chairs the Management Review Team of the NRP. This group works to ensure that neighborhood plans are realistic, legal and in conformance with jurisdiction policy and ordinance requirements. In 1998, discussion was focused on strengthening implementation of neighborhood plans during the future years of the NRP.



## Information and Technology Services

---

**In 1998, ITS continued to make progress toward supplying and supporting efficient and reliable information systems through collaboration with its partners. ITS balanced its focus between improving business applications, IT infrastructure, Year 2000 compliance, ITS management practices, and telecommunications.**

### **Business Applications**

#### **Finance and Human Resources**

ITS focused much of its energy on the two new government management enterprise systems: FISCOL (Financial Information System - City of Lakes) which was installed in 1996 and HRIS (Human Resources Information System) which was installed in 1997. In addition, ITS completed the selection of software, hardware and a vendor to replace the current Utility Billing package and Solid Waste and Recycling system. The current UB system is not Y2K compliant and needed replacement.

#### **Property**

#### **GIS (Geographical Information Systems)**

1998 kicked off initial development of enterprise (citywide) GIS. A committee of department heads was established to broadly outline City of Minneapolis goals for the system and to select a software vendor. The vendor was selected, pilot projects have been identified and are underway, and organizational alternatives have been developed for a new enterprise GIS function.

#### **BIIS (Business Inspection and Information System)**

Similar to other recent IT system changes, the BIIS system will eliminate and consolidate several application processes and provide data to multi-department (enterprise) applications. Work on the first step of the implementation process has been completed supporting housing inspections data and processes.

#### **Public Safety**

1998 has been a watershed year in examining and redefining the technology management relationship between the Minneapolis Police Department (MPD) and ITS. Roles and responsibilities have been defined for the first time, which has created a framework for managing the technology challenges in an organized fashion. In addition, ITS and MPD are currently examining the alternatives for merging the MPD Systems Division into ITS. This merger of the two separate organizations would not only free up more officers for police work but would also allow more information to be shared.

For the first time, Minneapolis Fire Stations are connected to the city network, have E-mail access, and have desktops with up-to-date tools to automate their work.

### **IT Infrastructure**

Roll out of the Standard Image PC Workstations began the process of standardizing interdepartment Enterprise PC user platforms. In addition, significant upgrades have been made to the city data center and work is underway on enhancements to the city's Internet and intranet.

### **Year 2000 (Y2K)**

ITS began the process of assessment of potential Year 2000 issues. Life and safety issues have received priority in assessment and corrections, as well as funding. The City of Minneapolis Year 2000 Program Management was established in August to manage and coordinate the enterprise-wide Year 2000 Compliance Program. To date, departmental project teams have completed the inventory/assessment phase within ITS, 911 Communications, the Police Department and Public Works Department. A similar project is nearing completion for the Fire Department.

### **ITS Management Practices**

In order to meet the combined challenges of Y2K and an accelerated application development program, major adjustments were needed in ITS management processes. (Application development is accelerated resulting from the move away from the city's outdated mainframe environment to current client server based technology predicated on the new City of Minneapolis Enterprise IT philosophy).

In addition, ITS continued to lead the city's Strategic Information Systems Planning (SISP) process. This is a citywide approach for providing easily shared access to critical information for our policy makers, managers, employees and constituents. The goals for the Strategic Information Systems Plan include:

- Aligning technology investments with city goals;
- Insuring reasonable pay back and benefit from technology investments;
- Coordinating the use and implementation of computer and information resources;
- Meeting cross-departmental needs more effectively;
- Building a unified approach for the entire city;
- Creating effective approaches to information systems policies and support; and,
- Implementing quality management processes.



## Human Resources

---

**The Human Resources Department continued its HR Reform Initiative throughout 1998. The original HR Reform Initiative included four goals and 14 objectives. HR continues to make progress on many of the objectives. Below is a summary of 1998 accomplishments:**

### **Recruitment and Selection - “Better Applicants Quicker”**

The department has greatly expanded the use of electronic technology to increase effectiveness while controlling recruitment costs. Internet, intranet, Minneapolis web sites, and automatic faxing have become an integral part of all recruitment efforts. A variety of other recruitment strategies have been implemented to increase the visibility of Minneapolis as an employer, including inclusion of job notices on a variety of city communications to residents.

### **“CityWorks”**

This is a program developed and implemented to increase the number of welfare recipients who apply and are hired for city positions. It has been operational for six months and has been involved in targeted recruitment out in the community. “CityWorks” provides on-the-job training, trainee positions, and support services to assure successful employment.

In addition to improving our recruiting and hiring practices, we want to improve the retention of valued employees. An HR work team developed action plans, including a recognition luncheon for the ten most senior city employees, and placing notes in the FYI employee newsletter to highlight employee anniversaries, promotions and accomplishments. They are developing new sections for the employee exit survey that will help identify trends in employee decisions to leave city employment.

### **Classification: A relevant and reliable job classification system.**

The department implemented two title consolidation projects, in Human Resources and ITS, which are serving as models for future projects. Employees in these departments are enjoying greater variety in assignments, and department managers experience greater flexibility in assigning staff to new and different projects. Based on the success of these projects, there are plans for a similar project with Finance; work will begin in 1999.

### **Training and Development: Improve training opportunities for supervisors and managers as well as all staff.**

Improve career development opportunities for all staff. Training opportunities continue to expand for city employees. In 1998, many new courses were added to the training offerings, including programs on Goal Setting, Effective Business Writing, Listening, Positive Conflict, Managing Change and Priorities, Conflict Negotiation and Resolution, and Workplace Diversity.

With these additional sessions, and virtually full-capacity classes, participation in training has increased to nearly 350 percent of what it was three years ago.

HR expanded the New Employee Orientation to include a short presentation by the City Assessor on homes in the city. This is a way to help new employees learn about home purchasing in Minneapolis. The Employee Handbook was updated and has been put on the intranet for easy access.

The third Leadership Development Program was begun. This is an intensive three-week program for management employees showing high potential. Members of the first two groups are involved in city projects providing leadership in facilitation or analysis. The alumni of the Leadership Development Programs are continuing to develop their skills through forums and training programs that they develop.

Training and development worked with Public Works, Inspections, Regulatory Services, Health and Family Services and Finance to develop customized training opportunities for many large work groups.

The Upward Mobility Program, which provides tuition reimbursement for employees seeking career change or advancement, has expended the full \$20,000 allocation in 1998. It is anticipated that more requests will be received than can be funded.

Training staff are involved in many citywide policy initiatives including the new City Ethics Code, a new policy on exempt employment, the Department Head Orientation Team, the E-mail Team, the Welfare to Work Program, and the Human Resources Priorities Teams on Succession Planning.

### **Work Environment: A healthy and supportive work environment for our diverse workforce.**

The department delivered many awareness sessions on diversity and sexual harassment prevention. Participants consistently gave these programs positive evaluations. HR's investigation and problem resolution roles were strengthened by retraining Sexual Harassment Investigators, using early mediation in Affirmative Action complaints, and working cooperatively with the Minneapolis Police Department to investigate officer misconduct.

### **Alternative Dispute Resolution**

The Alternative Dispute Resolution (ADR) process grew out of a broad and complex agreement between the City of Minneapolis and various bargaining units. An ADR Coordinator has been in place since November 1997 and reports to the ADR Policy Committee that is made up of members from both labor and management. Since its inception, the ADR process has proven to be an effective tool for resolving workplace disputes. The program employs various types of methods from facilitative negotiation and peer review to neutral third

---

party internal/external mediators. In addition, the city's Human Resources Department provides certified civil mediation skills training to those city employees who would like to become mediators.

**Employee Relations: Reduce the inconsistencies in HR practices, rules and contracts.**

Last year, the department reorganized the Labor Relations Division to add greater authority and consistency to our negotiations, grievance and arbitration practices. We hired a new Director of Labor Relations to reduce our dependence on outside labor relations counsel. AFSCME Council 14, Local 9 and the city negotiated their new contract using Interest Based Collective Bargaining, an approach that developed greater understanding and agreement in the final contract.

So far, the city has new collective bargaining agreements with 14 of the 15 unions whose contracts expired prior to September, 1998. The contracts are financially fair, considering the limited resources of the city, and the use of outside labor counsel has been minimal. We have a new workforce utilization agreement with three unions in Public Works that will benefit our employees and our citizens.

**HR Generalists: Improve responsiveness to customer departments.**

The department hired two additional Human Resources Generalists, bringing the total to eight. Now each City Council department has one person to contact to receive Human Resources services. Efforts to increase responsiveness to customers included the completion of service agreements with customer departments that clarify roles and responsibilities and identify specific service needs. The majority of the Generalists are now located directly in their customer departments. Many HR Generalists served on the management negotiating teams during collective bargaining. Department directors and managers continue to voice a high satisfaction with the Generalists serving their departments.

Generalists took an active role this year in filling a number of appointed positions including Director of the Minneapolis Building Commission, Executive Director of the Youth Coordinating Board, Fire Chief, Planning Director, and the Commissioner of Health.

**Workforce Planning Model**

The department is developing a workforce planning model that will help managers project changes in the labor market, project the make-up of their department's workforce and project their future human resources needs. The team is collecting and analyzing data to develop a current city workforce profile, collecting and compiling labor statistics to complete a labor force projection. The model will also help managers with succession planning for critical management positions.

**Job Bank**

The Job Bank was created to address the downsizing needs of the city while also providing additional avenues of support for the affected city employees. The program provides added job placement options within the city in order to avoid the layoff and bumping process. Two hundred two employees have entered the Job Bank since its inception in November of 1995. While in the Job Bank, these employees receive skills assessments, a resume writing workshop, and interviewing skills training. In 1997, injured city workers were included in the Job Bank Program in order to provide additional placement opportunities within their medical restrictions. Of the 202 employees who have entered the Job Bank, only 40 have been laid off. For those employees, health insurance continuation is offered at no cost to the employee for six months. The employee is also placed on the layoff list for their title for up to three years. The Job Bank still continues its commitment by striving to identify all possible placement options while treating its employees fairly and respectfully.

**Human Resources Information System: Improve use of automation to support HR practices.**

The Human Resources Information System (HRIS) was successfully installed in 1997-98. The city consistently processes biweekly payrolls and administers employee benefits with speed and accuracy. Many employees through city departments have been trained to use the HRIS and have easy access to employee data. The system greatly improves our ability to manage the number of positions approved by the City Council. Such controls help reduce operating costs and redundant staffing arrangements.



**The city continues to carry the highest possible AAA general obligation bond rating. The Finance Department has developed a number of innovative changes.**

### **Minneapolis Credit Rating**

The two major bond rating agencies (Moody's Investors Service and Standard & Poor's Incorporated) continue to reaffirm the city's highest possible AAA general obligation bond credit rating. The credit rating allows the city to enjoy the lowest possible interest rates on bonds issued to pay for streets, bridges, parks, recreation centers, libraries, parking structures, water and sewer systems, economic development projects, residential mortgage loans, and other public projects. The bond rating is based on several factors: the strong, diversified economy of the city; the city's financial management and controls; and debt management coordinated by the city, county, and school district. Only five other urban core cities in the United States have similar bond ratings (Charlotte, North Carolina; Columbus, Ohio; Indianapolis, Indiana; Omaha, Nebraska; and Dallas, Texas). The city has retained these ratings since 1962.

### **Risk Management and Claims:**

As of the end of October, 1998, Loss Prevention, Workers' Compensation, Risk Management, and Tort Liability have finally relocated to their permanent area of 307/315M in City Hall. Risk Management has been heavily involved in the Convention Center Expansion Project.

Since July of this year, Tort Liability with the Staff Claims Committee has utilized a third party investigation and claims administration program to review, reject or accept claims made against the city. A major focus of the committee is the corrective action that is required to diminish claims in the future. An RFP has been issued to make a permanent selection on the third party claims administration service.

Workers' Compensation has completed an internal and external audit, with all protocols within standard limits. The high number of active claims per coordinator has resulted in a realignment of personnel tasks and positions. The main database has been made Y2K compliant and will be migrated to a new file server by the end of the year.

A new medical managed care system for Worker's Compensation claims and employment services has been selected, negotiated, and finalized. New systems have been implemented for electronic pre-authorizations, streamlined billing, and establishing protocols for employment health screening.

### **FISCOL**

During 1998, the department completed the implementation of the ADVANTAGE 2.0 version of its core financial system, FISCOL. At the same time, the system was successfully moved from a mainframe environment to a client server environment. New support tools were added for this new environment including a new on-line application for standard reporting. This new tool has eliminated the need for central printing of large volumes of hard copy reports. Support staff was added to FISCOL system administration to improve the assistance available to users regarding their information access issues, such as the use of the on-line tool for standard reporting and the use of FISCOL information through the city's data warehouse. Subsequent objectives include the testing of the systems Year 2000 capabilities and the implementation of the ADVANTAGE 2.1 version which should be available before the end of the year.

### **Management Analysis**

The goal of the Management Analysis Division (MAD) is to be an effective internal management consulting service that provides the analytical, process development and coordinating services needed and requested by city management to do its job more effectively and efficiently. The following are examples of how MAD assisted various departments in 1998:

- Facilities Management: Working with Public Works-General Services and Coordinator.
- Space planning to develop a comprehensive strategy for managing the city's lands, buildings, and leased space.
- Gas/Electric Deregulation: Coordinating the research and preparation for the deregulation of the gas and electric utilities.
- Park/Public Works: Assisting the Park Board and Public Works in reviewing ways to coordinate related infrastructure maintenance services.
- Parking Systems Analysis: Working with Public Works-Transportation and Finance to review management of the parking ramps.
- Solid Waste Staffing Analysis: Assisting Public Works-Solid Waste in reviewing staffing needs in part of its operations.



## Intergovernmental Relations (IGR)

To serve as a valuable and essential resource for the city in its policy development, priority setting, issue management, and governmental relations initiatives, the IGR department developed a “Strategic Plan” to effectively represent the city’s policies and priorities before federal, state and regional governments. The plan is evaluated annually and serves as a blueprint to move the IGR functions to a more strategic model based on essential priorities. The plan also promotes enhanced quality of IGR functions for the city. Under the plan, IGR has implemented several strategies for 1998:

**Departmental Liaisons.** IGR staff members are assigned to city departments to serve as liaisons to those departments. During the summer months, IGR staff meets with departmental leadership to discuss preliminary legislative issues for the upcoming session. The IGR staff also attends department staff meetings in order to brief the departments about the functions and services of IGR. Each department in turn assigns a staff person to be the primary contact for IGR.

**Raising Awareness of IGR.** IGR actively participates in interdepartmental functions in an effort to raise the profile of the department within the city. Actions are also undertaken to increase awareness of how the IGR department has been integrated into the city’s service needs and how the department is aligned with the city’s goals.

**Interdepartmental Work Teams.** Prior to the legislative session, the IGR staff re-establishes cross-departmental work teams in specific issue areas. These teams meet several times to identify issues of concern and develop introductory legislative proposals. In the fall the work teams met with elected officials to formalize recommendations. This teamwork approach leads to a legislative agenda that is focused on a specific set of issues rather than a general wish list.

**Legislative Package.** In developing the city’s legislative package for 1999, emphasis was placed on early and continued involvement of the Minneapolis delegation. In the fall, IGR hosts a delegation breakfast where legislators and Council Members work through introductory proposals developed by the work teams. Elected officials are then encouraged to participate with the work teams for refinement of the proposals. Another breakfast is held where legislative priorities are determined.

Five major issues facing the city will guide the 1999 legislative package:

- Municipal Financing
- Public Safety
- Housing and Economic Development
- City Livability
- Transportation/Transit

### Communications

Easily understood, readily accessible information is an element essential to the success of every organization. City government is no different. In fact, public service and the ever present goal of offering residents good government makes clear communications an even more important part of how the City of Minneapolis conducts its business.

In 1998, the Communications Department underwent a thoughtful reorganization, with efforts focused on the following:

- Bringing together people and resources from throughout the city to plan and execute communication activities that provide helpful information and offer a positive view of a dynamic city and its government.
- Improved practice standards driven by the needs of each audience and improved client service to city departments, elected officials, neighborhood organizations and residents.
- Renewed employee communications activities in support of the belief that informed employees are empowered employees.
- Incorporation of data methods to determine the effectiveness of large, resident directed communication efforts.
- Experienced crisis communications counsel and improved media relations, including proactive placement of story ideas with the media.
- Partnership with electronic communication efforts, including the city’s external Internet site and internal intranet site.

The Communications Department includes the work of Public Affairs, Video Services and Cable Channel 34, Special Grants and Projects, and Film, Video and Recording services. Highlights of 1998 include:

- The successful completion of a grant application seeking Empowerment Zone designation for Minneapolis from the US Department of Housing and Urban development.
- The redesign of employee communications activities to improve the quality of information and its readability while distributing information consistently and often.
- The redesign of the city’s traditional fall calendar, mailed to all households and including essential city information. The 1999 calendar showcases the best Minneapolis has to offer its residents in a colorful, artistic presentation designed for practical use all year-round.
- The presence of communications counsel, including during times of crisis. New, helpful Communications presence offered advice to city leadership in the management of information with concern for all parties affected.





- An ever successful spring Minneapolis-St. Paul Home Tour resulted in extensive planning on a “marketing Minneapolis” program, in partnership with the MCDA, to better position the positives of Minneapolis living among those already here and those considering Minneapolis as their future home. Input from sectors throughout the city - from relocators and realtors to school officials and employers - drove the program’s planning.
- Negotiations reopened with the city’s cable provider - Paragon Cable - regarding shared interests for use of the city’s cable capacity. The discussions are part of an ongoing relationship with Paragon, whose 15 year contract with the city ends in 2004.
- Assistance with minor productions and major feature films increased as Minnesota and Minneapolis continue to enjoy growing recognition as a place to make movies.

**The Department of Operations and Regulatory Services, a part of the Office of the City Coordinator, has both regulatory and service functions. Regulatory services are the function of the Licenses and Consumer Services Division as well as the Inspections Division. The activities of Regulatory Services protect and enhance the livability of the city’s neighborhoods, while those activities involving Operations, most significantly the Minneapolis Convention Center, strengthen the economy of the city, region and state. It is the department’s goal to provide the highest quality service to its customers in all of its many functions.**

Departmental highlights in 1998 include:

- Implementing the new Coordinated Action Program (CAP);
- Implementing the new Business Inspection and Information System (BIIS) to automate permit issuance, field inspection and licensing activities;
- Instituting new housing programs aimed at improving the housing stock of the city; and
- Developing a plan for customer based one-stop-shopping at the Public Service Center.

### **Coordinated Action Program (CAP)**

It is the mission of the Coordinated Action Program to develop a systematic approach to service coordination and tie together three distinct areas of city government: enforcement (including Regulatory Services and Police); Public Works capital improvement and operations; and community development programs. The over-arching goal is to engage all parts of the enterprise in collaborative initiatives that will strengthen and improve service delivery and create a more livable city.

To date, CAP has initiated several coordination efforts such as:

- Initiating a collaborative effort between MCDA Rehab Support Zone and Public Works Street Rehabilitation Pilot Program in the Field neighborhood;
- Providing input and recommendations on collaboration for the proposed stormwater holding ponds;
- Convening a task force to recommend permanent solutions to chronic problem properties;
- Convening a subgroup to evaluate the economic, social and environmental value of moving houses; and,
- Convening a subgroup to identify solutions to problematic transfer of property ownership (problematic contract for deed sales and flipping).

### **Regulatory Services**

In 1998, the two Regulatory Services Divisions conducted many thousands of code compliance inspections relating to business activities, single and multi-family housing, building construction, food and the environment. Greater detail about these activities can be found in the Physical Environment chapter of the State of the City.

---

### Licenses and Consumer Services

The Licenses and Consumer Services Division consists of Traffic Control, Animal Control, the Lead Abatement Program, Environmental Health (food safety), and Licenses. In 1998, a sample of the division's many activities included:

- Providing traffic control at the Metrodome, Target Center, and Convention Center, as well as at major downtown special events, and during daily rush hour;
- Responding to thousands of animal related requests for service;
- Performing assessments of residences and surrounding soils for all children identified with elevated lead levels;
- Conducting inspections of an estimated 3,800 licensed food establishments;
- Implementing risk-based field inspections with a team approach for dealing with problem food establishments; and,
- Administering and renewing over 25,000 city licenses.

### Inspections

The Inspections Division consists of inspection programs in Zoning, Plan Review, Housing, Hazardous Buildings, Permits and Environmental Management. In 1998, the Division:

- Successfully implemented the housing and permitting portions of the new BISS system throughout the Inspections Division;
- Enhanced the Truth in Sale of Housing Program to address residential life/safety concerns;
- Implemented the 4D and 4BB Tax Classification Program to reward landlords for compliance with city codes;
- Implemented third party competency test development in three construction trade areas;
- Developed a draft Minneapolis Air Quality Management Ordinance to comprehensively address air pollution issues;
- Amended the Noise Ordinance to improve the livability of residential areas near heavy commercial activity; and,
- Served on several national and international organizations including the International Codes Council, Building Officials and Code Administrators, the International Conference of Building Officials, the International Council for Local Environmental Initiatives, the Environmental Council of the States and the U.S. EPA Local Government Advisory Committee.

### Operations: The Minneapolis Convention Center

The Minneapolis Convention Center (MCC) is one of the primary economic engines driving the success and vitality of downtown Minneapolis, the metro region and Minnesota. The convention and visitor business is very big business for the city and state, with hundreds of hotels, restaurants, entertainment venues and attendant facilities. The hospitality industry employs tens of thousands and generates significant revenue for city and state programs and services. In 1998 the MCC:

- Developed the Minneapolis Convention Center Mission Statement - "Created to foster economic growth and vitality, the Minneapolis Convention Center hosts activities and events to showcase Minneapolis. Working together to deliver the highest level of service, we will lead the hospitality industry."
- Hosted major international, national, and regional conventions, trade shows and events, including the International Telecommunications Plenipotentiary Conference of the United Nations with over one hundred eighty nations represented;
- Implemented employee Best Shot Service Awards and built upon the several employee initiatives created in 1998;
- Renegotiated the Convention Center food service contract;
- Initiated a one million dollar energy conservation program, installed fiber optics and conducted a telephone upgrade;
- Received numerous awards, including the Twin Cities Concierge Association recognition for quality staff performance and the American Society of Association Executives Planners Picks for: friendliest city; best taxi drivers; best value for rents; Convention Center food quality; and Convention Center convenient location; and,
- Successfully advocated for the Convention Center expansion. This expansion has been the city's highest legislative priority, and its realization was essential to assure a strong Minnesota convention and visitor industry in the future.



## Priorities '99

---

**The goal of the Priorities '99 process was to provide the Mayor and City Council with recommended service choices as they adopted the city budget for 1999. This process was first used in the 1996 budget process.**

### **Priorities '99 Process**

The Priorities '99 process involved the continued work of four teams appointed by the Mayor. The product of each team provided the Mayor and City Council with recommendations for the enhancement, redesign, maintenance or elimination of service activities within its goal area. Each was made up of two department heads as co-chairs, team members from a variety of departments with the skill, expertise and experience to complete the task assignment, and staff from the Planning Department, City Coordinator's Office, Finance Department and ITS.

These teams were organized around the city's eight goals to ensure that those goals were driving the city's funding and action agenda, and that service planning and prioritizing was occurring across the organization. The eight goals were consolidated into the four following areas, each to be addressed by a team:

- Housing, Safety, Citizens
- Corridors, Transportation, Downtown
- Natural/Historic Environment, Infrastructure
- Government Management

Each work team reviewed and evaluated the current levels of those services that work toward achievement of the city's goals. Then each team prioritized those services and made recommendations for change within the goal area.

### **Highlights of Mayor's 1999 Priorities by Area:**

#### **Housing, Safety, Citizens -**

- CODEFOR Prosecutions
- Develop and Implement an Affordable Housing Strategy
- Reduction of Drug Trafficking, Use and Abuse
- Rental Licensing Redesign
- Litigation Support for Human Resources/Labor Relations
- Merger of MPD Systems with ITS
- Integrated Criminal Justice Information System

#### **Corridors, Transportation, Downtown -**

- Commercial Corridor Revitalization
- Minneapolis Beautiful
- New Zoning Code Implementation

#### **Natural/Historic Environment, Infrastructure -**

- Increase Street Sweeping
- Work Force Utilization
- State of the Infrastructure

#### **Government Management -**

- Comprehensive GIS Enterprise
- Elections
- Year 2000 Compliance
- Park Board/Public Works Service Overlaps
- Targeted Recruitment Redesign
- Strengthening Facilities Management



## Neighborhood Revitalization Program

**In 1997, all 81 Minneapolis residential neighborhoods continued to be involved in some phase of a revitalization process.**

The Neighborhood Revitalization Program (NRP) is a unique effort to change the future of the city's neighborhoods, making them better places to live, work, learn and play. Neighborhood-based planning and priority setting are the heart of the NRP. The program addresses, positively, a significant part of neighborhood livability.

The NRP is governed by a legal agreement among the City of Minneapolis, the Minneapolis School Board, Minneapolis Park Board, Minneapolis Library Board, and Hennepin County. The agreement allows the five jurisdictions to share resources and to support the efforts of neighborhood planning.

The program has four primary goals:

- build neighborhood capacity,
- redesign public services,
- increase governmental collaboration, and
- create a sense of community.

Involvement in the NRP has increased from six neighborhoods in 1991 to 80 of the city's 81 residential neighborhoods in 1996. The remaining neighborhood, the University of Minnesota, has chosen to develop its plan outside the NRP process. All continued their involvement in 1997.

Along with continuous improvements to the neighborhood planning process, significant change has been made in the process of implementing neighborhood plans. NRP and MCDA staff have continued working to streamline the contracting and implementation processes to get resources out to neighborhoods more quickly.

Accomplishments by December 1998 include:

- Forty-five of 66 possible Neighborhood Action Plans have been approved;
- Fourteen neighborhoods have used their First Step Plans as the basis for their approved Neighborhood Action Plans;
- Thirty-one First Step Plans have been approved;
- Seventy-four neighborhoods have an approved First Step or Neighborhood Action Plan. This means that 91 percent of the 81 participating neighborhoods are implementing either a First Step or full Neighborhood Action Plan;
- 1997 obligations for future implementation of Neighborhood Action Plans totaled nearly \$87 million;
- Expenditures for neighborhood-based activities increased from an annual figure of \$2.9 million in 1992 to \$21.7 million in 1997;

- End-of-year obligations for neighborhoods increased from \$6.2 million at the end of 1991 to \$64.8 million of 1997;
- NRP has expended approximately \$5.2 million to date on projects that have directly benefited specific Minneapolis school sites or for district-wide purposes. More than \$3.9 million in Minneapolis School District NRP funds have leveraged over \$15 million in additional funds from other sources (approximately a 1:4 ratio);
- Nearly \$450,000 in NRP funds was invested in 1997 for employment training, job placement and work-readiness programs for residents in at least ten Minneapolis neighborhoods;
- Approximately \$1.3 million in NRP funds was invested in small business development in 1997. These dollars were used to support business resource centers and associations, to conduct economic development feasibility studies, and fund small business grant and loan programs throughout Minneapolis;
- Minneapolis NRP housing expenditures totaled more than \$8 million in 1997. Of that, over \$7 million (or 87 percent) was spent for home improvement and home-buyer assistance programs in 40 neighborhoods;
- Over 1,100 trees were planted in 1997 using NRP funds. Since 1992 a total of 7,749 trees have been planted using nearly \$500,000 in NRP funds;
- Streetscape improvements were completed in the Dinkytown area of the Marcy Holmes neighborhood;
- The Stevens Square-Loring Heights, Whittier, and Loring Park neighborhoods planned and contributed over \$500,000 in NRP funds to a \$4.5 million streetscape improvement project along a 1.2 mile stretch of Nicollet Avenue where more than 170 small businesses are located;
- A \$175,000 NRP investment helped establish the Wendell Phillips Community Development Federal Credit Union in the Phillips neighborhood and leveraged more than \$1 million in additional support. The credit union serves eleven Minneapolis neighborhoods that represent at least 17 diverse cultures;
- Construction was completed on Minneapolis' oldest public school building, Pratt Community Education Center. The project earned a 1998 Minneapolis Heritage Preservation Commission Award; and,
- The Powderhorn Park Comprehensive Housing Resource Program has invested over \$2.3 million in NRP funds to provide: 40 grants to first-time home buyers; 225 matching or non-matching low-income home improvement grants; and a volunteer-run housing database and resource library that serves approximately 600 city residents each month. The program has leveraged an additional \$5.2 million in support from other sources.



## City Revenues and Expenditures

The 1999 Council adopted budget (net of internal transfers) calls for city operating expenditures of over \$912 million against revenues of nearly \$919 million.

Within the operating budget recommendations, the Mayor's 1999 budget calls for more than \$213 million of General Fund expenditures, balanced by a like amount of revenue. The 1998 approved budget called for General Fund expenditures of just over \$203 million.

The General Fund is the largest of the operating funds. It finances many activities, such as general government, public safety, streets, culture and recreation. It receives financial support from a number of sources such as general property tax, licenses and permits, franchise fees, service charges, fines and forfeits.

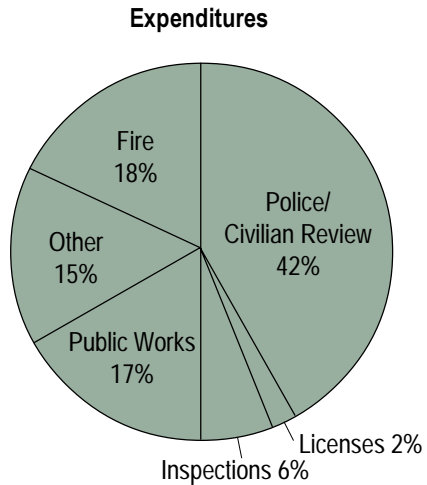
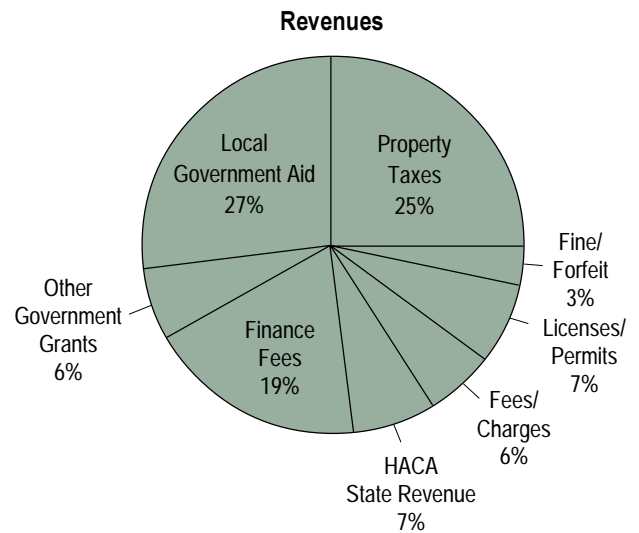
One pie chart, below, shows the relative importance of the major categories of 1999 General Fund revenue. The other shows the expenditure share proposed for the major users of the fund revenue.

The following table shows proposed 1999 General Fund operating expenditures, for several departments whose activities are discussed, in part, within this *State of the City* report. The 1998 approved amounts for these departments are also included for comparison.

### GENERAL FUND OPERATING EXPENDITURES SELECTED DEPARTMENTS AND BOARDS 1998 & 1999 BUDGETS

Dept.	1998	1999
Fire Department	\$36.9	\$37.2
Police Department	80.2	84.4
Inspections Department	10.8	11.2
Health Department	3.6	3.6
Public Works Department	32.8	35.0

### 1999 COUNCIL ADOPTED BUDGET



Source: 1999 Council Adopted Budget, City of Minneapolis, December 1998



## Property Tax

**Property taxes payable in 1998 were determined under a system first used in 1989. The calculation of a parcel's tax begins with the Assessor's determination of its estimated market value. This is defined as the usual selling price of the property which would be obtained at private sale.**

The taxable value of property is calculated as a percentage of the estimated market value. This taxable value is known as net tax capacity. Net tax capacity equals estimated market value multiplied by a given percentage for the particular classification of property. The percentage used varies with the type of property and its value. In the case of residential homestead property, for example, the 1998 net tax capacity percentages and applicable market values are shown in the following table.

	Percentage
1998 Estimated Market Value	Net Tax Capacity
First \$75,000	1.00%
Over \$75,000	1.85%

Tax rates that are applied to the net tax capacity are determined each year by the various taxing jurisdictions. They are determined by dividing each jurisdiction's amount to be raised through taxes by the total value of taxable property (total net tax capacity) within the jurisdiction.

**Net tax capacity rates** result from the relationship of tax amount needed and total net tax capacity. The results are expressed as a percentage. Prior to 1989, they were expressed as mill rates. For Minneapolis, the net tax capacity rates applicable to residential homestead taxes payable in 1998 are as follows:

### 1998 TAXING JURISDICTION NET TAX CAPACITY RATES

City of Minneapolis	39.059%
School District #1	66.278%
Hennepin County	34.530%
Public Housing	.303%
Other	6.647%
<b>Total</b>	<b>146.817%</b>

The description given above as applied to a homesteaded residential example would result in the following generation of total property tax on a \$78,000 Minneapolis residence:

Estimated Market Value:	\$78,000.00
Net Tax Capacity:	
1% of first \$78,000	\$750.00
1.85% of remaining \$3,000	55.50
Total	\$805.50
Tax:	
146.871% of \$805.50	\$1,182.61

The property tax refund system provides possible relief for home owners and renters, determined by a formula that includes the amount of property tax due and income of the taxpayer. If eligible, the taxpayer receives a money refund during the last quarter of the year.

For the City of Minneapolis, the total tax payable in 1998 (the total tax levy) is \$473,581,226. It will be distributed among jurisdictions approximately as follows:

City of Minneapolis	25%
School District #1:	46%
Hennepin County	24%
Other Districts & Public Housing	5%



## Tax Increment Financing

Relative to taxes payable in 1998, the total increase in net tax capacity of the city's tax increment districts was estimated at \$43.87 million.

Tax increment financing (TIF) uses increases in property values and taxes attributed to redevelopment to pay for public redevelopment costs. Tax increment financing may be used to provide public funds for the redevelopment or rehabilitation of blighted or deteriorated areas of the city, the construction of low and moderate income housing, and for the promotion of economic development and employment opportunities in the city. In Minneapolis, the tax increment districts are administered by the Minneapolis Community Development Agency, with the exception of the Calhoun Beach district which is administered by the city.

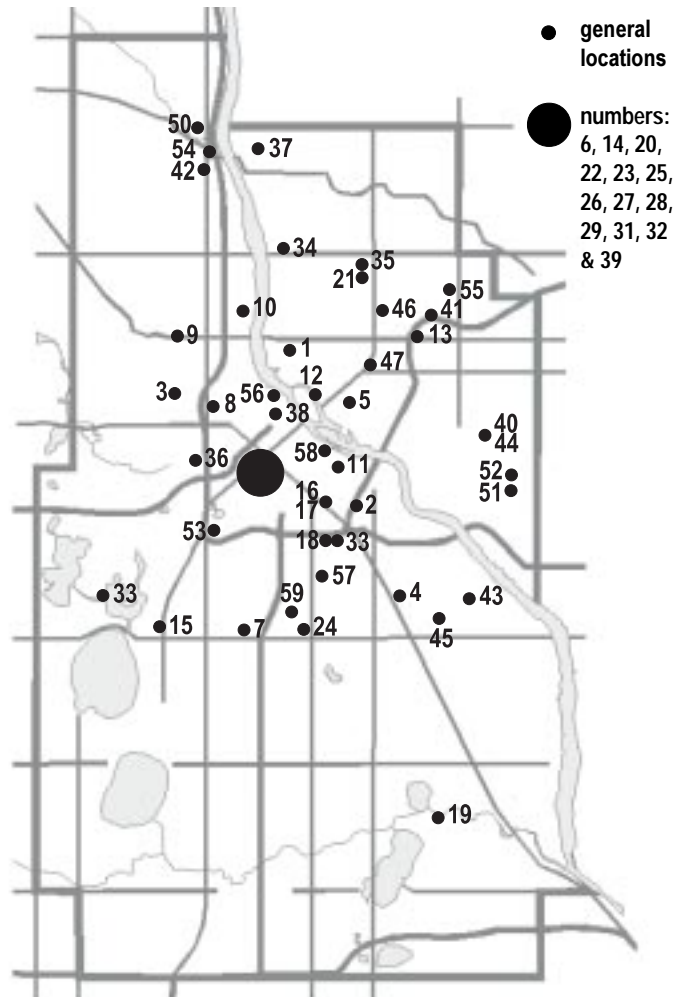
A tax increment financing district is created by City Council adoption of a plan for redevelopment and tax increment financing. The tax capacity of the property within the district is then determined according to the last equalized tax roll (with that year becoming the base year) and represents the original tax capacity of the tax increment district. Each of the taxing jurisdictions (city, county, school district and special taxing jurisdictions) continues to receive that share of the taxes collected on the tax capacity that represents the original tax capacity just as if the district had never been created and there had been no change in the valuation of the area.

The city may sell bonds or use available MCDA resources to clean up pollution, acquire property, relocate businesses and residents, demolish buildings, and prepare sites for redevelopment in tax increment districts. The assembled parcels of cleared land are sold to a private developer. When construction is complete and the new buildings are on the tax rolls, the tax increment district has a new, higher tax capacity (since it will have a higher market value, and tax capacity is based on a percentage of market value).

For tax increment districts established after April 30, 1990, the State of Minnesota reduces the amount of Local Government Aid (LGA) and Homestead and Agricultural Credit Aid (HACA) received by the city if a certain percentage of local funds are not used to finance the activities of the district. This reduction, phased in over the life of the district, is intended to offset any increased school aid payments made by the state as a result of the city's decision to use tax increment financing.

The increment in tax capacity is calculated each year for projects that are active. The net tax capacity increase, for all active projects, totaled \$43.87 million, relative to taxes payable in 1998, up from just under \$43.8 million in 1997.

### TAX INCREMENT FINANCE DISTRICTS



Numbers 48 & 49 not shown (see text).

The following active Minneapolis TIF districts are located by number on the accompanying map. Modifications are not included in the listing. Note that the Housing Replacement Districts (numbers 48 and 49) involve multiple locations (parcels) and are not shown on the map)

### TAX INCREMENT FINANCE DISTRICTS

Active Districts	Base Year
1. St. Anthony West	1971
2. Cedar-Riverside	1971
3. Grant	1971
4. Seward South (incl. Moline)	1971
5. Holmes	1972
6. Loring Park	1972
7. Nicollet-Lake	1972
8. North Loop	1973
9. West Broadway	1973
10. North Washington Industrial Park	1973
11. Industry Square	1973
12. Nicollet Island-East Bank	1979
13. Broadway I-35	1977



## City Debt

### TAX INCREMENT FINANCE DISTRICTS (CON'T)

Active Districts	Base Year
14. City Center	1977
15. Hennepin-Lake	1979
16. Elliot Park #1	1980
17. Elliot Park #2	1981
18. Franklin Avenue	1980
19. Nokomis Homes	1981
20. Symphony Place	1981
21. Central Avenue	1982
22. One Ten Grant	1982
23. Convention Hotel/Retail	1985
24. Chicago-Lake; 28th and Chicago	1985
25. The Conservatory	1985
26. Laurel Village	1985
27. LaSalle Plaza	1985
28. NBA Arena	1986
29. IDS Data Service Center	1986
30. Block 33-Franklin Avenue	1986
31. Neiman Marcus	1988
32. Block E	1989
33. Calhoun Beach	1989
34. MILES I	1991
35. Central Avenue Supermarket	1992
36. Housing for Chronic Alcoholics	1994
37. 36th & Marshall N.E.	1994
38. Kimm Printing	1995
39. 9th & Hennepin	1995
40. S.E. Minneapolis Industrial Area (SEMI) Phase I	1995
41. N. E. Retail Hazardous Substance Subdistrict	1995
42. Camden Medical Facility	1996
43. United Van/Bus	1996
44. S.E. Minneapolis Industrial Area (SEMI) Phase II	1996
45. Deep Rock Economic Development	1996
46. N.E. Nursing Home/Industrial	1996
47. Spring and Central	1996
48. Housing Replacement District-Non Watershed	1996
49. Housing Replacement District-Watershed 3	1996
50. Impact Mailing	1997
51. S.E. Minneapolis Industrial Area (SEMI)-Phase III	1997
52. S.E. Minneapolis Industrial Area (SEMI) Phase IV	1997
53. Lowry Ridge	1997
54. Camden Medical Facility	1998
55. Rosacker Nursery Site	1998
56. Creamette	1998
57. Phillips Park	1998
58. West Side Milling District	1998
59. Portland Place	1998

**Minneapolis' total general obligation debt increased from just under \$762 million in 1997 to a level estimated to be at less than \$818 million at December, 1998.**

Management of the city's debt involves consideration not only of the absolute amount of debt, but also attention to yearly trends in the relationship of the debt to other financial measures.

The accompanying chart shows the total debt level each year since 1987. The total includes general obligation debt, backed by the full faith and credit of the city, and non-general obligation debt, which currently includes only tax increment revenue bonds.

### June

In June the city issued \$15,000,000 of General Obligation fixed rate bonds and \$38,000,000 of General Obligation variable rate bonds. These two issues provided approximately \$52,694,000 for capital projects.

The major uses were as follows:

\$7,635,000	Flood control and combined sewer separation projects
8,960,000	Water works projects
2,282,000	Lyn/Lake Municipal/Commercial Parking
7,166,000	ITS projects
6,000,000	Park Board land acquisition and athletic field site development
1,677,000	Park Board—other park improvements
728,000	Parkway improvements
1,515,000	Library system improvements
6,471,000	Public building improvements
6,057,000	Paving and traffic improvements
3,050,000	Public works fleet and facilities

### Other

The City Council authorized the issuance of \$5,600,000 of taxable General Obligation tax increment bonds (West Side Milling District). Of this authorization tranch A for \$1,345,000 and tranch B for \$1,295,000 have been issued for the purpose of providing funds for the West Side Milling District project. This project consists of the renovation of two warehouses as owner occupied housing and construction of the town homes for a total of 86 units.

### October

In October the city issued three series of General Obligation fixed rate bonds. The parking ramp bonds of \$19,400,000 were issued to provide funding for the Greyhound/Jefferson parking ramp. The \$3,000,000 series 1998C bonds were comprised of \$1,500,000 for assessment projects with the balance for flood mitigation and public building projects.





## Debt Capacity - Total Debt

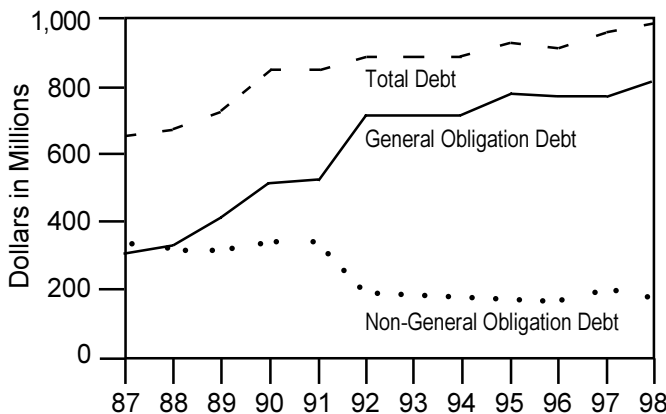
The series 1998D bonds of \$61,400,000 were issued to capture savings. This issue provided funds to purchase securities which were then placed in an escrow to defease current outstanding debt which will be redeemed on the call dates. Total saving of \$24,000,000 was achieved by this transaction. The savings is captured from 1998 through 2021 and falls mainly in the three following funds:

\$13,457,000	Water Fund
6,341,000	Sewer Fund
2,725,000	Parking Fund

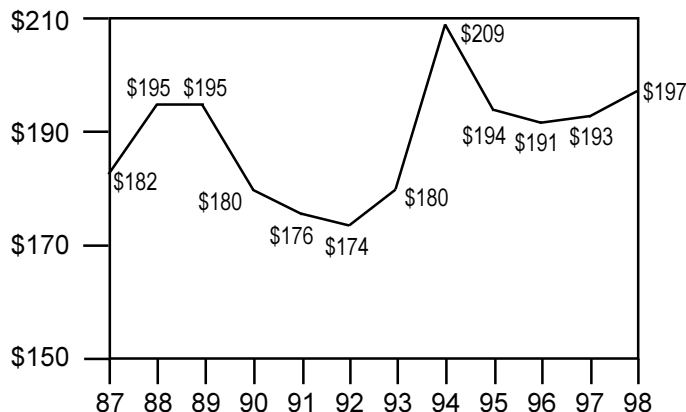
### Debt Trends

The following chart shows the gradual climb of general obligation debt and total debt from 1987-1995, but a two year decrease in 1996 and 1997. The chart showing general obligation debt per capita suggests that on a per-person basis, that portion of general obligation debt supported by property taxes has not shown a consistent trend in either direction. The average of the 12 years shown on the chart is just under \$189.

**TOTAL DEBT, 1987 - 1998**



**PER CAPITA DEBT, IN DOLLARS\*, 1987 - 1998**



\* Figures shown are adjusted indebtedness, which represents the total general obligation indebtedness of the city less that indebtedness supported by revenues other than general property taxes.

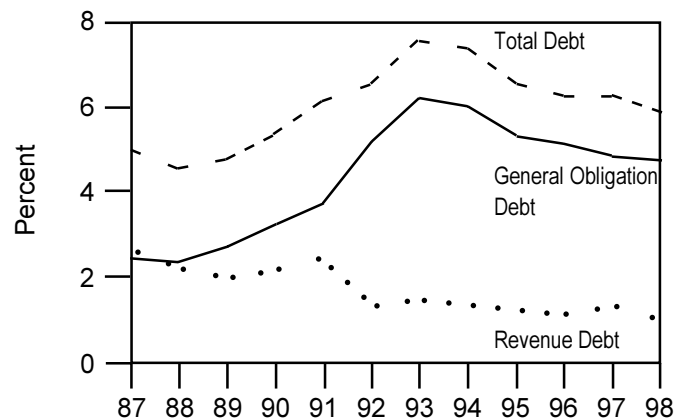
**The ratio of total outstanding debt to the Minneapolis City Assessor's market value of taxable property decreased to an estimated 5.88 percent in 1998, from 6.21 percent the previous year.**

The primary goal of the city's debt management is maintaining the city's ability to incur debt at minimal interest rates without endangering the city's ability to finance essential city services. The policy focuses on a revenue/debt ratio approach and calls for the city to closely monitor the absolute amounts and year-to-year trends of key financial ratios. The policy states that the city should limit the issuance of new bonded debt so as to make improvements in the key financial ratios over time.

The key management ratio used in monitoring total debt is total debt outstanding as a percent of estimated full market value of Minneapolis' taxable property.

The data show that from 1989 through 1993, the total debt ratio increased each year. The increase in part reflected not only a yearly increase in total debt, but also the yearly decline in estimated full market valuation of the city, experienced in the early 90's. Subsequent to 1993, the ratio's general downward trend reflected both an increase in the estimated market value of the city's taxable property, and in some years, either a small increase or decline in total indebtedness. The 1998 total debt to market value ratio

**TOTAL DEBT AS A PERCENTAGE OF ASSESSOR'S ESTIMATED MARKET VALUE, 1987 - 1998**





## Debt Capacity - Property Tax Supported Debt

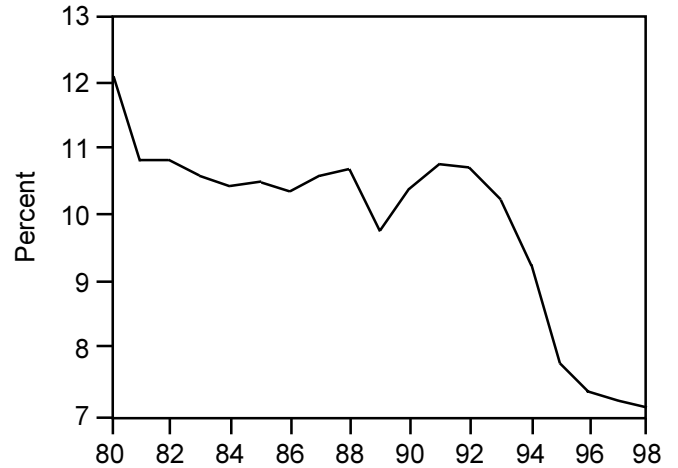
The percentage of discretionary revenues used in property tax supported debt service declined from its level of 12.15 percent in 1980, to a low of 9.76 percent in 1989. The range during the period from 1983 through 1997 has been between 7.24 percent and 10.72 percent, or relatively constant.

As the city's discretionary revenue total changes, the amount of that revenue used for debt service on tax supported bonds should also vary. The proportion of such revenue that is dedicated to tax supported debt service must be maintained at a level that also allows adequate discretionary fund availability for financing essential city services while supporting an adequate capital infrastructure replacement program.

With respect to tax supported debt, the key management ratio is the percentage of discretionary revenue used for the city's total tax supported bond debt service. The policy calls for the city to limit the annual bond program so that property tax supported debt service levels, as a percent of discretionary revenue, remain equal to or less than current levels.

Data shown on the charts indicate that the property tax supported debt ratio has been within the management goal range over the past dozen years.

**PERCENT OF DISCRETIONARY REVENUES  
USED TO SUPPORT DEBT SERVICE**  
(Key Ratio for Net Debt Management)







The preparation of this report was partly financed through a grant for the Community Planning and Management Program funded with Community Development Block Grant funds from the Department of Housing and Urban Development.

The computer generated maps in this year's report were supplied by the Minneapolis Public Works Department (Engineering Design and Traffic Engineering divisions), the Minneapolis Planning Department, and the Minneapolis Park Board.



Printed on recycled paper containing 50% waste paper, including 15% post-consumer waste.

#### **Report Coordinator**

Philip Meininger

#### **Chapter Coordinators and Authors**

Laura Lambert, Population  
Daryl Stokesbary, Housing  
Geoffrey Batzel, Economic Development  
Lois Eberhart, Physical Environment  
Monique MacKenzie, Transportation  
Tara Buckner, Property Services  
Julia Paulsen, Human Development  
Laura Lambert, Health and Safety  
Julia Paulsen, Government Management

#### **Contributors**

Amy Lucas  
Jim Daire  
Janine Ryan  
Michael Orange  
Thavisack Silaphet  
Jerry Vandelac

#### **Word Processing**

Mary Murphy

#### **Proofing**

Pamela Sherman, Supervisor

#### **Graphic Design**

Robyn Adolphson-Huspek  
Dan Jones, Supervisor